

**CITY OF MARYSVILLE**

**EXECUTIVE SUMMARY FOR ACTION**

**CITY COUNCIL MEETING DATE: March 23, 2015**

<b>AGENDA ITEM:</b> Agreement Between the City of Marysville and the Sno-Isle Intercounty Rural Library District for Transfer of the Marysville Library Building	<b>AGENDA SECTION:</b> New Business	
<b>PREPARED BY:</b> Gloria Hirashima, Chief Administrative Officer  <b>DEPARTMENT:</b> Executive	<b>AGENDA NUMBER:</b>	
<b>ATTACHMENTS:</b> 1. Proposed Agreement for Transfer of Marysville Library to Sno-Isle	<b>APPROVED BY:</b>	
	MAYOR	CAO
<b>BUDGET CODE:</b>	<b>AMOUNT:</b>	

**Summary:**

The City of Marysville annexed to and became part of Sno-Isle Intercounty Rural Library District in 1991. Sno-Isle collects taxes and provides library services to the residents of Marysville and surrounding residents of the District. As a component of the original agreement to annex to Sno-Isle in 1991, the City agreed to construct a new facility to be operated by Sno-Isle for library services. The property and facility were wholly purchased and financed by the City. The City completed payoff of the building approximately two years ago. The City continues to maintain, repair and rehabilitate the interior and exterior of the Marysville Library, including such items as: carpet and wall repair and/or replacement; parking lot and landscaped grounds maintenance; property insurance; repair and maintenance of plumbing, electrical, heating, cooling, waste water, and other mechanical systems.

The City approached Sno-Isle to determine whether it was appropriate at this time to transfer the facility to Sno-Isle's care, since other library buildings within the District are maintained by Sno-Isle. The City proposed transfer of the building and property to Sno-Isle for its future use, care and maintenance for library services. Sno-Isle reviewed the proposal, inspected the building and upon the City's completion of identified maintenance items stemming from the inspection has agreed to accept transfer of the Library to Sno-Isle.

The City will continue to work closely with Sno-Isle as an area partner. Sno-Isle will continue to maintain the Marysville Library Board, as its goals for community participation and feedback remain constant.

<b>RECOMMENDED ACTION:</b> Approve Agreement for Transfer of the Marysville Library to Sno-Isle.
<b>COUNCIL ACTION:</b>

Sno-Isle Library Services Center  
Attn: Library Director  
7312 – 35<sup>th</sup> Avenue NE  
Marysville, WA 98271

Please print or type information

<b>Document Title(s)</b> (or transactions contained therein):  Agreement Between the City of Marysville and the Sno-Isle Intercounty Rural Library District for Transfer of the Marysville Library Building
<b>Grantor(s)</b> (Last name first, then first name and initials)  City of Marysville
<b>Grantee(s)</b> (Last name first, then first name and initials)  Sno-Isle Intercounty Rural Library District
<b>Legal description</b> (abbreviated: i.e., lot, block, plat or section, township, range, qtr./qtr.)  Ptn NW¼ NE¼ 27-30-5, Snohomish County, WA  Additional legal is on page <u>11</u> of document.
<b>Reference Number(s) of Documents assigned or released:</b>  N/A
<b>Assessor's Property Tax Parcel/Account Number</b>  300527-001-049-00
The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

**AGREEMENT BETWEEN  
THE CITY OF MARYSVILLE AND THE SNO-ISLE INTERCOUNTY RURAL  
LIBRARY DISTRICT FOR TRANSFER OF THE MARYSVILLE LIBRARY  
BUILDING**

THIS AGREEMENT is entered into between the City of Marysville, a Washington optional municipal code city (hereinafter “the City”) and Sno-Isle Intercounty Rural Library District, an Intercounty Rural Library District (hereinafter “Sno-Isle”) for the purpose set forth below.

**WHEREAS**, the City and Sno-Isle were parties to an Interlocal Library Annexation Agreement dated July 1, 1991 (“Annexation Agreement”), which provided for the submission to the voters of the City of a ballot proposition for annexation of the City to Sno-Isle, and continuation of services pursuant to a Contract For Library Service entered into October 23, 1967; and

**WHEREAS**, pursuant to Marysville Ordinance 1842 a proposition to annex the City to the Library District was submitted to the voters on September 17, 1991 and was approved; and

**WHEREAS**, pursuant to Marysville Ordinance 1857 a ballot proposition was submitted to the voters on November 5, 1991 for the issuance of General Obligation Bonds in an amount of \$3,700,000 to acquire a site for, construct, furnish and equip a new library in Marysville and said proposition was approved by the voters; and

**WHEREAS**, pursuant to that election and City of Marysville Ordinance No. 1857, the City issued \$3,700,000 in general obligation bonds and constructed a public library building on property located at 6120 Grove Avenue in the City of Marysville and more particularly described on Exhibit A attached to this Agreement and incorporated herein by this reference as if set forth in full (hereinafter “the Marysville Library”); and

The General Obligation Bonds were issued in 1992 with a 20 year maturity and have been fully paid and retired; and

**WHEREAS**, the City annexed to and became a part of Sno-Isle in 1991 and Sno-Isle currently provides library services to all residents of the City in the Marysville Library in the same manner as it provides services to all other residents of Sno-Isle; and

**WHEREAS**, included within said responsibilities of the City are the ongoing responsibilities to maintain, repair and rehabilitate the interior and exterior of the Marysville Library, including such items as: carpet and wall repair and/or replacement; parking lot and landscaped grounds maintenance; property insurance; repair and maintenance of plumbing, electrical, heating, cooling, waste water, and other mechanical systems; and

**WHEREAS**, included within the responsibilities of Sno-Isle pursuant to said Annexation Agreement, is the responsibility to provide all library services, including acquisition and maintenance of library collections and materials; staff to operate the facility as a library; tools and equipment necessary to operate the library, including, but not limited to, computers, office equipment, etc.; and custodial maintenance of the interior of the facility, including custodial supplies; and

**WHEREAS**, Sno-Isle and the City agree that it is appropriate for the City to transfer the Marysville Library to Sno-Isle upon certain terms and conditions as hereinafter set forth, now, therefore,

**IN CONSIDERATION OF** the terms and conditions set forth below, the City and Sno-Isle agree as follows:

1. **City to Transfer Marysville Library to Sno-Isle**. The City hereby agrees to transfer to Sno-Isle and Sno-Isle agrees to accept from the City, the Marysville Library located at 6120 Grove Avenue, Marysville, Washington, as legally described on Exhibit A, including all land, buildings, fixtures, furniture,

artwork (other than the police/firefighter memorial sculpture at the entryway), and improvements. The transfer shall be by quitclaim deed, and such deed shall transfer all right, title and interest of the City in the Marysville Library to Sno-Isle. The City agrees that no additions or modifications to improvements on the subject property shall be made prior to transfer without the express written approval of Sno-Isle.

2. **Consideration.** Upon acceptance and recording of the deed, Sno-Isle shall assume the responsibility to maintain, repair, rehabilitate, replace, or expand the Marysville Library and shall continue to provide all library services as required under the provisions of said Annexation Agreement for so long as the City remains annexed to Sno-Isle, which library services shall be provided in the Marysville Library facility; provided in the event Sno-Isle determines in its reasonable discretion, said facility is no longer suitable or efficient for the provision of said library services, Sno-Isle shall acquire an alternative facility within the corporate boundaries of the City from which to provide comparable library services.

Sno-Isle shall use the Marysville Library solely for public library purposes and for other public purposes that Sno-Isle deems appropriate for public library facilities; provided, however, in the event Sno-Isle acquires property and secures construction financing for an alternate facility within the corporate boundaries of the City from which to provide comparable library services, the use and right of Sno-Isle to sell, lease, transfer, and/or otherwise alienate the subject Marysville Library property or any interest therein shall be unrestrained and unencumbered by any provisions in this Agreement or the Quit Claim Deed by which the Marysville Library property is conveyed to Sno-Isle. Sno-Isle will provide 120 days advance written notice to the City of its intent to sell, lease, transfer and/or otherwise alienate the Marysville Library property and identify the alternate comparable library facility and services that will be provided within the corporate boundaries under the terms of this

agreement. This provision shall survive the transfer of the Marysville Library property and the closing of the transaction contemplated in this Agreement.

Upon transfer of the property, Sno-Isle shall, at its sole cost, secure and cause to be in effect, insurance or other suitable coverage for the Marysville Library equal to 100% of the replacement value for fire, other perils, earthquake, and flood damage or loss. Sno-Isle shall provide City with satisfactory evidence that such coverage is in effect.

3. **Condition of Marysville Library.** As the user in possession of the Marysville Library, Sno-Isle's knowledge of the condition of the Marysville Library is coextensive with the City, Sno-Isle and City hereby agree that, as of the transfer date, City has and will have fully discharged its obligations under said Annexation Agreement with respect to the Marysville Library. Except as provided herein, the City has not made, and does not make, any representations, warranties, promises, covenants, agreements, or guaranties of any kind whatsoever, whether express or implied, oral or written, relating to the Marysville Library except that it has no knowledge of any material defects therein nor of any hazardous or toxic materials on the property. Sno-Isle acknowledges that Sno-Isle has no knowledge of any material defects therein nor of any hazardous or toxic materials on the property and has not relied on any representations or warranties of any kind of the City or any agent of the City relating to the Marysville Library except as expressly set forth herein. Except as set forth herein, the City is not liable or bound in any manner by oral or written statements, representations or information pertaining to the Marysville Library, or the operation thereof, furnished by any real estate broker, agent, employee, servant or other person. Sno-Isle further acknowledges and agrees that to the maximum extent permitted by law, the transfer of the Marysville Library as provided for herein is made on an "**AS IS**", "**WHERE IS**" condition and basis with all unknown faults and defects, and that the City has no obligation to make repairs, replacements or improvements with

respect thereto. Any information relating to the Marysville Library furnished to Sno-Isle by the City is furnished on the express condition that Sno-Isle shall make an independent verification of the accuracy of such information, all of which is furnished without warranty.

4. **Title**. The City shall convey fee title by quitclaim deed. The form of deed to be used is attached to this Agreement as Exhibit B and incorporated herein by this reference as if set forth in full. Sno-Isle shall obtain and pay for an Owner's Policy of Title Insurance showing marketable title. The City and Sno-Isle authorize the party hereinafter designated as Closing Agent to apply for a preliminary commitment for an ALTA standard coverage form of Owner's policy of title insurance to be issued by a Title Insurance Company selected by Sno-Isle. The City shall convey title subject to any and all existing liens and encumbrances and shall not be obligated to clear any such liens or encumbrances from title in connection with this transaction. Sno-Isle shall have a period of fifteen (15) days after issuance of the preliminary commitment in order to determine whether to accept title subject to any and all encumbrances or to not accept such title and terminate this Agreement. If Sno-Isle elects to accept title, the Closing Agent shall proceed to close the transfer.

5. **Escrow and Closing**.

**A. Closing Agent – Date of Closing.** Escrow shall be opened with the law firm of Weed, Graafstra and Benson, Inc., P.S., and shall be referred to in this Agreement as the "Closing Agent". With the understanding that time is of the essence of this Agreement, this transaction shall be closed on or before forty-five (45) days after this Agreement is executed. In the event that this transaction (transfer and conveyance of the Marysville Library property) cannot be closed by the date provided herein due to the inability of either party, the Closing Agent, title insurance company, or financing institution to sign any necessary document, or to deposit any necessary money, because of any

interruption of error or other available transport; strikes, fire, flood or extreme weather; governmental regulation; incapacitating illness; acts of God; or other similar occurrences; the closing date shall be extended seven (7) days beyond cessation of such condition, but in no event more than fourteen (14) days beyond the closing date provided herein without written agreement of the parties.

**B. Expenses of Escrow.** Title insurance premiums and all other costs or expenses of escrow and recording shall be paid by Sno-Isle, including but not limited to the following:

- i. The full cost of securing the title insurance policy, if any, for Sno-Isle;
- ii. The cost of recording the Deed to Sno-Isle;
- iii. The cost of excise taxes, if any, necessary to record the Deed to Sno-Isle; and
- iv. Any and all other expenses of escrow and recording not expressly mentioned above.

**C. Closing Defined.** Closing, for the purpose of this Agreement, is defined as the date that all documents are executed and all funds necessary to pay the expenses of escrow and recording fees have been paid by Sno-Isle. When notified, Sno-Isle and the City will deposit, without delay, in escrow with the Closing Agent, all instruments and monies required to complete the transaction in accordance with this Agreement.

6. **Interlocal Library Annexation Agreement.** Upon closing of this transaction and recording of the deed from the City to Sno-Isle, the requirements of the City to own, maintain, repair, and rehabilitate the Marysville Library, as established by the Interlocal Library Annexation Agreement shall be terminated and of no further effect.



7. **Maintenance and Repair.** Upon closing of this transaction and recording of the deed from the City to Sno-Isle, Sno-Isle shall assume all responsibility for the maintenance and repair of the Marysville Library.

8. **Paintings & Sculptures.** The City shall retain ownership of the exterior police /firefighter memorial sculpture. All other paintings, sculptures and artwork on the property of the Marysville Library as of the Closing Date shall be transferred to Sno-Isle. The police /firefighter sculpture, may remain on the library property but may, in the sole discretion of the City, be removed at a later date.

9. **Costs.** Except as expressly provided herein, each party shall bear its own costs associated with its activities and obligations under this Agreement.

10. **Contingent Option to Reacquire.** Should the City de-annex from the Sno-Isle Intercounty Rural Library District on or before December 31, 2035, then in that event, the City shall have the option to reacquire all of the real property interests then held by Sno-Isle, if any, in and to the subject property, upon not less than 180 day's prior written notice, to be effective no sooner than the effective date of such de-annexation, and upon payment by the City to Sno-Isle of the amount of documented unamortized costs, if any, of improvements made to said property by Sno-Isle, which costs shall be amortized over periods of twenty (20) years from the dates of payment thereof by Sno-Isle. .

11. **Entire Agreement.** This Agreement sets forth the entire agreement of the parties as to the subject matter hereof and supersedes all prior discussions and understandings between them. This Agreement may not be amended or rescinded in any manner except by an instrument in writing signed by a duly authorized officer or representative of each party hereto.

12. **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Washington.

**13. Severability.** Should any of the provisions of this Agreement be found to be invalid, illegal or unenforceable by a court of competent jurisdiction, such provision shall be stricken and the remainder of this Agreement shall nonetheless remain in full force and effect unless striking such provision shall materially alter the intention of the parties.

**14. Jurisdiction – Venue.** In the event any action is brought to enforce any of the provisions of this Agreement, the parties agree to be subject to exclusive jurisdiction in the Snohomish County Superior Court of the State of Washington and agree that venue shall lie exclusively at Everett, Washington.

**15. Attorney's Fees.** In the event that either party brings suit against the other in order to enforce the terms of this Agreement or to redress any breach thereof, the prevailing party in any such suit shall be entitled to recover its costs, expert witness fees, and reasonable attorney's fees, including fees and costs incurred in connection with any appeal.

**16. Waiver.** Except as otherwise expressly provided herein, no waiver of any right under this Agreement shall be effective unless contained in a writing signed by a duly authorized officer or representative of the party sought to be charged with the waiver. No waiver of any right arising from any breach or failure to comply with any provision of this agreement shall be deemed to be a waiver of any future right or of any other right arising under this Agreement.

**17. Notices.** All notices required or permitted under this Agreement shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, by nationally recognized courier or by electronic mail or facsimile transmission and shall be deemed given when so delivered, received, or faxed (provided the fax machine has issued a printed confirmation of receipt). All notices or requests to any party shall be sent to all other parties as follows:

City of Marysville: Chief Administrative Officer  
City of Marysville  
1049 State Avenue  
Marysville, WA 98270

Sno-Isle Intercounty Rural Executive Director  
Library District: Sno-Isle Libraries Service Center  
7312 – 35<sup>th</sup> Avenue NE  
Marysville, WA 98271

**18. Survival – Binding Effect.** With the exception of paragraph 5, all provisions of this Agreement shall survive closing. The provisions of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

**19. Time is of the Essence.** Time is of the essence in the performance of each party’s obligations under this Agreement. Each party will carry out its obligations under this Agreement diligently and in good faith.

**20. Authority.** The City is an optional municipal code city organized under Title 35A of the Revised Code of Washington. Sno-Isle is an inter-county rural library district organized under Title 27 of the Revised Code of Washington. By executing this Agreement, the parties each represent that they have authority to enter into this Agreement under such titles and under Title 39.34 of the Revised Code of Washington.

**21. Filing.** Pursuant to RCW 39.34.040, a copy of this Agreement shall be filed with the Snohomish County Auditor. All costs of such recording shall be paid by Sno-Isle.

DATED as of the last signature set forth below.

**CITY OF MARYSVILLE**

**SNO-ISLE INTERCOUNTY RURAL  
LIBRARY DISTRICT**

\_\_\_\_\_  
Jon Nehring, Mayor

\_\_\_\_\_  
Jonalyn Woolf-Ivory,  
Executive Director

Date:\_\_\_\_\_

Date:\_\_\_\_\_

**ATTEST/AUTHENTICATED:**

\_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY:**

\_\_\_\_\_  
City Attorney

EXHIBIT A

All that portion of the northeast quarter of the northwest quarter of the northeast quarter of Section 27, Township 30 North, Range 5 East, W.M., in Snohomish County, Washington, described as follows:

Commencing at the northwest corner of said northeast quarter; thence south 84°26'06" east along the north line thereof 652.45 feet to the northwest corner of said northeast quarter of the northwest quarter of the northeast quarter; thence south 04°48'04" west along the west line thereof 37.81 feet to the south margin of Armar Road, and the true point of beginning; thence south 84°46'36" east along said margin 317.38 feet; thence south 04°49'34" west 218.00 feet; thence south 84°46'36" east 253.55 feet to the center line of Munson Creek; thence southwesterly along said center line to its intersection with the east line of the west half of said northeast quarter of the northwest quarter of the northeast quarter; thence south 04°47'25" west 67.11 feet to the southeast corner thereof; thence north 84°19'47" west 326.35 feet to the southwest corner thereof; thence north 04°48'04" east 613.55 feet to the true point of beginning.

Being a portion of Lots 1 and 2 of Snohomish County Short Plat Number 254 (10-75) found under Recording Number 2412950, in Snohomish County, Washington.

(ALSO KNOWN AS Parcel 1 of Boundary Line Adjustment BLA 93-008 recorded under Recording Number 9305260609.)

Situate in the County of Snohomish, State of Washington.

SUBJECT TO:

COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS CONTAINED IN SHORT PLAT, INCLUDING PROVISIONS FOR MAINTENANCE OF THE PRIVATE ROADS, COPY ATTACHED:

RECORDED: November 10, 1973  
RECORDING NUMBER: 2412950

BOUNDARY LINE ADJUSTMENT AND THE TERMS AND CONDITIONS THEREOF:

RECORDED: May 26, 1993  
RECORDING NUMBER: 9305260609

Any question that may arise due to shifting and changing in course of Munson Creek.

Any prohibition of or limitation of use, occupancy or improvement of the land resulting from the rights of the public or riparian owners to use any portion which is now or has been formerly covered by water.

Paramount rights and easements in favor of the United States for commerce, navigation, fisheries and the production of power.

Liability for further assessment by Public Utility District No. 1 of Snohomish County, as reflected by instrument recorded under Recording Number 8201130052.

**EXHIBIT B**  
**QUIT CLAIM DEED**  
**See attached**

**After Recording Return to:**

Sno-Isle Library Services Center  
Attn: Library Director  
7312 – 35<sup>th</sup> Avenue NE  
Marysville, WA 98271

**QUIT CLAIM DEED**

Grantor: CITY OF MARYSVILLE

Grantee: SNO-ISLE INTERCOUNTY RURAL LIBRARY DISTRICT

Legal Description: Ptn NW<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> 27-30-5, Snohomish County, WA Add'l on p. 3

Tax Parcel ID#: 300527-001-049-00

THE GRANTOR, CITY OF MARYSVILLE, a municipal corporation of the State of Washington, for and in consideration of fulfillment of the agreement between the parties and mutual benefits, conveys and quit claims to SNO-ISLE INTERCOUNTY RURAL LIBRARY DISTRICT, an Intercounty Rural Library District, GRANTEE, the following-described real estate, situated in the County of Snohomish, State of Washington, including any interest therein which Grantor may hereafter acquire:

See **EXHIBIT A** attached hereto  
and incorporated herein by this reference

hereinafter referred to as the "Property"

Grantor hereby reserves a Contingent Option to Reacquire said property as provided in that certain Agreement between Grantor and Grantee, filed with the Auditor of Snohomish County, Washington under Number \_\_\_\_\_.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

CITY OF MARYSVILLE

By \_\_\_\_\_  
JON NEHRING, Mayor

STATE OF WASHINGTON )  
 )ss.  
COUNTY OF SNOHOMISH )

I certify that I know or have satisfactory evidence that JON NEHRING is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Mayor of CITY OF MARYSVILLE to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
\_\_\_\_\_  
(Legibly print name of notary)  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_  
My commission expires \_\_\_\_\_



EXHIBIT A

Page 1

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Being a portion of Lots 1 and 2 of Snohomish County Short Plat Number 254 (10-75) found under Recording Number 2412950, in Snohomish County, Washington.

(ALSO KNOWN AS Parcel 1 of Boundary Line Adjustment BLA 93-008 recorded under Recording Number 9305260609.)

Situate in the County of Snohomish, State of Washington.

EXHIBIT A

Page 2

SUBJECT TO:

COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS CONTAINED IN SHORT PLAT, INCLUDING PROVISIONS FOR MAINTENANCE OF THE PRIVATE ROADS, COPY ATTACHED:

RECORDED: November 10, 1973  
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